EXHIBIT A

RULE 2: Classification & Compensation

Section 202: Compensation Administration

A. Establishment of Salaries

The Internal Services Director is responsible for establishing a salary range for each classification through a market survey or other analysis and any other appropriate compensation review. The Municipal Court Presiding Judge establishes Court Commissioner salaries.

The City adheres to a policy of paying equal compensation to all employees who perform work under the same job classification unless a differential in compensation is made pursuant to the established seniority system or pursuant to any other factor, other than gender, that is part of the City's established compensation system.

Any employee's salary shall never be lower than the established salary range minimum. Unless governed by other provisions of these personnel rules, no employee's salary shall be higher than the established salary range maximum.

Any classification falling under a skill-based pay program may have an adjusted salary range as dictated by the written program provisions. Any such program shall be approved by the Internal Services Director.

Special salary increases may be granted with the approval of the City Manager unless the employee is at the maximum of his or her salary range.

Unless the result of a disciplinary action, any changes to salary or salary range adjustments are not subject to the personnel rules grievance procedure and cannot be appealed to the Merit System Board.

RULE 2: Classification & Compensation

Section 202: Compensation Administration

B. Starting Salaries

New employees shall be hired at the minimum of the salary range for their classification. The City Manager shall approve any starting salary higher than the minimum requested by the hiring department director and justified based on special qualifications and/or experience held by the employee. Departments must provide the following information to the City Manager for consideration of approving a starting salary higher than the minimum:

- 1. The minimum of the salary range and the requested starting salary with the percentage difference;
- 2. The names, actual current salaries and hire dates of all other incumbents in the same classification as the new hire;
- 3. The qualifications, experience, education or any other factors outside the specific minimum qualifications for the classification that may warrant consideration of a higher starting salary.

RULE 2: Classification & Compensation

Section 202: Compensation Administration

E. Promotional Salary Increases

Employees who are promoted shall receive a 10% increase not to exceed the salary range maximum or be placed at the minimum of the new salary range, whichever is higher.

A promoted employee who is involuntarily demoted or seeks voluntary demotion to his or her former position or another position with the same or lower salary range within six (6) months of being promoted shall return to the rate of pay he or she was receiving prior to promotion, including any step or market increases that may have occurred.

RULE 2: Classification & Compensation

Section 203: Additional Compensation

C. Shift Differential Pay

Shift differential will be paid to non-exempt employees (excepting seasonal and temporary employees) who work shifts that include any hours between 10:00 p.m. and 4:00 a.m.

Two shift differential hourly rates, a lower and a higher rate, shall be established by the Internal Services Director and approved by the City Manager.

When working a shift which ends anywhere from and including 10:00 p.m. to 12:00 midnight, an employee will be paid the lower shift differential rate per hour for all hours of the work shift.

When working a shift that includes work between the hours of 12:01 a.m. and 4:00 a.m., an employee will be paid the higher shift differential rate per hour for all hours of the work shift.

Shift Differential is not paid to an employee receiving overtime pay or any other additional pay component that already compensates for hours worked outside his or her regular shift.

Shift differential is not paid to employees on paid leave.

RULE 3: Employment

Section 301: Requirements for Employment

D. Background Investigations

The Internal Services Director shall, in accordance with state and federal privacy and security laws, examine criminal history information from and through the Arizona Department of Public Safety (DPS) and the Federal Bureau of Investigation (FBI) and driving records through the Arizona Department of Transportation, Motor Vehicle Division (MVD), concerning any employee or applicant candidate for appointment to City service. The same information will be reviewed for any prospective volunteers who will either be in direct contact with minors or incapacitated adults while not under direct supervision of a regular City employee or a prospective public safety volunteer as authorized by A.R.S. § 41-1750.

NOTE: The following provision does not apply to sworn or non-sworn applicants for Police Department positions.

Applicants for City positions will not be required to provide criminal history information during the application process and no criminal background questions will be on the application.

Applicants selected as finalists must complete a criminal background questionnaire prior to participating in a second interview or other finalist selection process. Successful applicants will be fingerprinted and a criminal background check completed as a condition of accepting employment.

As appropriate, additional background checks may be conducted for employees whose job duties require access to highly confidential information.

RULE 4: Code of Conduct

Section 401: Ethics and Workplace Behavior

E. Political Activity

1. Tempe Municipal Elections

All employees shall avoid all political activity in Tempe municipal elections but may exercise their rights as citizens to vote.

No employee shall solicit or attempt to solicit support for a candidate involved in a Tempe municipal election from any employee or appointed official.

No employee shall take part in the campaign of a candidate participating in a Tempe municipal election.

The City Charter Section 9.01 prohibits all employees from engaging in certain political activities in Tempe municipal elections. For example, employees are prohibited from soliciting or attempting to solicit support for a candidate involved in a Tempe municipal election from any employee or appointed official. Additionally, employees are prohibited from taking part in the campaign of a candidate in a Tempe municipal election, but may exercise any other rights of a qualified elector.

2. Other Municipal, State & Federal Elections

Employees may exercise their rights as citizens to vote and to express opinions as an individual citizen, but not as a representative of the City of Tempe.

Employees may exercise their right as citizens to sign petitions during non-work hours and while not in uniform.

No paid employee shall use his or her position to sell, solicit, or distribute any campaign material during working hours and/or in a uniform used by or identified with the City government.

No paid employee shall use his or her position to introduce, guide or recommend any candidate for public office on City property.

3. Employees Holding Public Office

No paid employee shall seek election to public office with the City of Tempe while still employed by the City.

RULE 5: Leave Programs & Benefits

Section 501: Paid Leave, Subsection B. Medical Leaves

2. Compassionate Leave

Regular employees who have completed probation may participate in the compassionate leave program which allows employees to voluntarily donate their own accrued sick and/or vacation leave to another qualified employee who has exhausted all paid leave, including all accrued compensatory time, and has requested compassionate leave donations through Human Resources.

Any requesting employee who solicits leave donations from another employee shall forfeit eligibility for this program.

Vacation and sick leave may be donated to eligible employees on <u>approved FMLA</u> leave as defined under the FMLA (see Section 503.F.) for the employee's own non-job related serious health condition, to care for a spouse, domestic partner, child or parent with a <u>serious health condition</u>, or for other extenuating circumstances as approved by the City Manager.

New employees who have completed probation but are not yet eligible for FMLA protection may qualify for compassionate leave if their leave mirrors that defined under the FMLA. Vacation leave only may be donated to eligible employees on leave as defined under the FMLA to care for a spouse, domestic partner, child or parent with a serious health condition. Vacation or sick leave hours that will be or are being forfeited due to requirements of those leave programs cannot be donated. The value of donated leave is based on the donor's hourly rate of pay as it relates to the recipient's hourly rate of pay.

While receiving compassionate leave employees are ineligible to <u>earnaccrue</u> vacation or sick leave <u>and may have accruals adjusted</u>. Program guidelines shall be provided on the compassionate leave request form.

3. Catastrophic Leave

Regular employees who have completed probation may request catastrophic leave which provides up to 160 paid hours per calendar year to eligible employees who are on approved leave as defined under the FMLA leave (1) for their own non-job related serious health condition or to care for a spouse, domestic partner, child (including step), or parent with a serious health condition. To qualify for catastrophic leave, the employee must have been out of work for at least 60 consecutive calendar days and have exhausted all paid leave, including all accrued compensatory time, and any compassionate leave donations.

While receiving catastrophic leave employees are ineligible to <u>earnaccrue</u> vacation or sick leave <u>and may have accruals adjusted</u>. Program guidelines shall be provided on the catastrophic leave request form.

RULE 5: Leave Programs & Benefits

Section 501: Paid Leave

F. Holidays

The following are official City Holidays:

- New Year's Day
- Martin Luther King's Birthday
- Presidents' Day
- Cesar Chavez Recognition Day
- Memorial Day
- Independence Day
- Memorial Day
- Labor Day
- Veterans Day
- Thanksgiving Day
- Friday Following Thanksgiving Day
- Christmas Day

NOTE: When a holiday falls on Sunday, it will be observed the following Monday. When a holiday is on Saturday, it will be observed the preceding Friday

Regular and probationary employees shall receive the previously listed holidays off with pay unless required to work due to organizational need. Employees on extended unpaid leave may not receive holiday pay as Aan employee must be in an active status, with paid hours status (including approved paid leave, except for compassionate and catastrophic leave) eitherboth the day before orand the day after a holiday in order to receive pay for the holiday. except employees who are retiring after a minimum of 10 years of continuous service who shall be paid for a holiday if it is the day after their last day worked. Refer to sub-section 203.F. for information on additional compensation paid for work required on a City holiday.

RULE 5: Leave Programs & Benefits

Section 503: Unpaid Leave

G. General Leave

Regular employees, who have completed their original probationary periods, may request general leave with their supervisors' and department directors' approvals for the following reasons:

- To run for elective office.
- To <u>participate in a training or receive an</u>_education<u>al opportunity</u> that will improve the employee's value to the City.

Regular employees, including those on probation, may request general leave with their supervisors' and department directors' approvals for the following reasons:

- To supplement vacation only if all accrued vacation leave and compensatory time has been exhausted, and for no more than a total of forty (40) hours in any one (1) calendar year.
- For other reasons approved by the Internal Services Director -and the City Manager.